

(2) Section 16(c)(1)(B) of the Food Stamp Act of 1977 (7 U.S.C. 2025(c)(1)(B)) is amended by striking "pursuant to subsection (b)".

**SEC. 849. WORK SUPPLEMENTATION OR SUPPORT PROGRAM.**

Section 16 of the Food Stamp Act of 1977 (7 U.S.C. 2025) as amended by section 848(a) is amended by inserting after subsection (a) the following:

"(b) WORK SUPPLEMENTATION OR SUPPORT PROGRAM—

"(1) DEFINITION OF WORK SUPPLEMENTATION OR SUPPORT PROGRAM—

In this subsection, the term "work supplementation or support program" means a program under which, as determined by the Secretary, public assistance (including any benefits provided under a program established by the State and the food stamp program) is provided to an employer to be used for hiring and employing a public assistance recipient who was not employed by the employer at the time the public assistance recipient entered the program.

"(2) PROGRAM—A State agency may elect to use an amount equal to the allotment that would otherwise be issued to a household under the food stamp program, but for the operation of this subsection, for the purpose of subsidizing or supporting a job under a work supplementation or support program established by the State.

"(3) PROCEDURE.—If a State agency makes an election under paragraph (2) and identifies each household that participates in the food stamp program that contains an individual who is participating in the work supplementation or support program—

"(A) the Secretary shall pay to the State agency an amount equal to the value of the allotment that the household would be eligible to receive but for the operation of this subsection;

"(B) the State agency shall expend the amount received

under subparagraph (A) in accordance with the work supplementation or support program in lieu of providing the allotment that the household would receive but for the operation of this subsection;

(C) for purposes of—  
"(i) sections 5 and 8(a), the amount

received under  
this subsection shall be excluded from  
household  
income and resources: and

"(ii) section 8(b). the amount received under this  
subsection shall be considered to be the value of an  
allotment provided to the household: and

"(D) the household shall not receive an allotment from  
the State agency for the period during which the  
member  
continues to participate in the work supplementation  
or  
support program.

"(4) OTHER WORK REQUIREMENTS.—No individual  
shall be  
excused, by reason of the fact that a State has a  
work  
supplementation or support program, from any  
work requirement  
under section 6(d), except during the  
periods in which  
the individual is employed under the work  
supplementation  
or support program.

"(5) LENGTH OF PARTICIPATION.—A State agency  
shall  
provide a description of how the public  
assistance recipients